



City of Grover Beach

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Bob Perrault
City Manager

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PRESS RELEASE
FOR IMMEDIATE RELEASE
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City of Grover Beach Announces Implementation of Employee Furloughs and City Hall Closures to Help Balance the Budget

GROVER BEACH, CA — The City of Grover Beach announced today that it will begin implementing an Employee Furlough Program coupled with City Hall closure in order to assist with balancing the FY 11 – FY 12 Budget. City Hall will be closed and all non-safety employees furloughed one day per month, beginning on Friday, July 30, 2010. City Manager Bob Perrault authorized the Furlough Program and closure as part of an effort to close a budget gap of \$278,849 in the City's General Fund. According to Perrault, *"The need to achieve approximately \$185,000 in staffing cost reductions in order to balance the budget was discussed with the Council during the recent budget adoption process. Implementation of the furlough program, coupled with the closure, will provide a big assist in reaching the goal."* In addition to savings in staff costs, the City expects to use approximately \$94,000 in General Fund Reserves to cover the remaining gap.

In his budget message to the Council, Perrault indicated that budgeted revenues in the General Fund are expected to decline from \$7,405,418 in FY 10 to \$7,066,584 in FY 11. Property Tax, the largest contributor to the City's General Fund, is expected to decline by approximately 3% in the current year. Sales Tax revenues, the City's second largest revenue generator, have slipped by approximately 20% since FY 08.

City Hall closures and employee furlough days will begin this month on Friday, July 30th and will average one day per month through June 2011. The planned City Hall closure dates are as follows:

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|------------------------------------|---------------------------------------|
| <u>2010:</u> Friday, July 30, 2010 | <u>2011:</u> Friday, January 14, 2011 |
| Friday, August 20, 2010 | Friday, February 4, 2011 |
| Friday, September 3, 2010 | Friday, March 4, 2011 |
| Friday, October 1, 2010 | Friday, April 1, 2011 |
| Friday, November 12, 2010 | Friday, May 13, 2011 |
| Tuesday, December 21, 2010 | Friday, June 3, 2011 |
| Wednesday, December 22, 2010 | |

While City Hall offices will be closed and Public Works field operations will cease during the furlough and closure program, emergency services will remain available. In communicating this decision in a memo to City employees, Perrault stated, *"I am acutely aware the implementation of the furlough and closure program will create certain real and unavoidable impacts to both employees and the public we serve. Please rest assured that it has been and continues to be the City's policy to minimize these impacts to the best of our ability."*

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